METHOD AND SYSTEM FOR LEASING GOODS

BACKGROUND OF THE INVENTION

The present invention relates generally to a method and system for leasing goods, and more particularly, is directed to a method and system for leasing multiple vehicles in sequence in a single lease arrangement.

Conventionally, there are three ways to obtain rights to drive a vehicle, namely, purchase, lease and rental. The purchase of a vehicle generally requires high payments, since the entire vehicle is purchased in a short period of time, for example, three or four years. Vehicle rental generally occurs for a much shorter period of time, for example, a day or week, and would be cost prohibitive over a period of time of, for example, three years.

For this reason, leasing of vehicles has become a popular option. With a leased vehicle, there remains a residual value at the end of the lease. Accordingly, the payments are based on the difference between the purchase price and the residual value, thereby greatly reducing the monthly payments relative to the purchase of the vehicle.

However, a lease arrangement is limited to a single vehicle for the relatively long lease term. Thus, a lease arrangement is not designed to provide flexibility as to the types of vehicles that a person can drive, that is, the person is limited to driving a single vehicle during the lease term. A person can easily get tired of driving a

single vehicle during a lease term and may prefer a wider range of choices.

Another problem with leasing is that the vehicles are returned to the vehicle dealership at the end of the lease term. The vehicle dealership must then attempt to sell the returned vehicles. Because of the large number of leased vehicles, there has been a glut of used vehicles that the dealership must now sell.

OBJECTS AND SUMMARY OF THE INVENTION

Accordingly, it is an object of the present invention to provide a method and system for leasing multiple vehicles that overcomes the problems with the aforementioned arrangements.

It is another object of the present invention to provide a method and system for leasing multiple vehicles in sequence in a lease arrangement.

It is still another object of the present invention to provide a method and system for leasing multiple vehicles in which a user selects multiple vehicles to be driven, each for a short time period, during a conventional lease period.

It is yet another object of the present invention to provide a method and system for leasing multiple vehicles so that a person can effectively test drive different vehicles at a cost that is not cost prohibitive, including vehicles that the person would not normally lease.

It is a further object of the present invention to provide a method and system for leasing multiple vehicles in which an individual can experience driving a variety of different vehicles in a much shorter period of time than a conventional lease term.

It is a still further object of the present invention to provide a method and system for leasing multiple vehicles in which vehicle dealerships have the advantage of including used vehicles in the lease arrangement, thereby reducing the inventory of used vehicles returned at the end of a lease term.

It is a yet further object of the present invention to provide a method and system for leasing multiple vehicles which has the advantage of facilitating use of more environmentally friendly cars such as battery/electric operated cars on the road.

In accordance with an aspect of the present invention, a method for leasing multiple vehicles, includes the steps of compiling information as to vehicles available for leasing and time periods in which the vehicles are available for leasing; setting a total lease term; selecting a plurality of different vehicles in a plurality of different time periods to be driven by a lessee during the total lease term; calculating lease costs to the lessee during the total lease term in dependence upon at least the plurality of different vehicles to be driven by the lessee in the

plurality of different time periods during the total lease term; entering into a lease agreement with the lessee for the plurality of different vehicles in the plurality of different time periods during the total lease term; and revising the compiled information to remove the selected vehicles in the selected time periods from the compiled information.

The compiled information is stored on a storage medium of a computer system. Between the steps of selecting and calculating, it is determined if the selected plurality of different vehicles are available during the plurality of different time periods. If no, the process returns to the step of selecting, and if yes, the process continues to the step of calculating. In addition, if the step of calculating results in unacceptable costs, the process returns to the step of selecting.

In addition, a manner of payment must be selected prior to the step of entering, preferably from either a periodic cost which varies in each period dependent upon a vehicle selected during each respective time period, a periodic cost which is constant in each time period, a lump sum payment or a combination of any of the above.

It is also possible to select a sequence and timing of the selected vehicles and time periods during the lease term. In one embodiment, the time periods are each of equal duration during the lease term. In another embodiment, at

least some of the time periods are of different duration during the lease term.

Finally, a copy of the lease agreement is printed out and signed by the lessee. Alternatively, electronic authorization can be provided to enter into the lease.

In accordance with another aspect of the present invention, a system for leasing multiple vehicles, includes a storage medium containing compiled information as to vehicles available for leasing and time periods in which the vehicles are available for leasing; an input device for setting a total lease term; a central processing unit connected with the storage medium and the input device; one of the input device and the central processing unit selecting a plurality of different vehicles in a plurality of different time periods to be driven by a lessee during the total lease term; the central processing unit calculating lease costs to the lessee during the total lease term in dependence upon at least the plurality of different vehicles to be driven by the lessee in the plurality of different time periods during the total lease term; and an output device for supplying a copy of a lease agreement to the lessee for the plurality of different vehicles in the plurality of different time periods during the total lease term, whereupon the central processing unit revises the compiled information to remove the selected vehicles in the selected time periods from the compiled information.

The central processing unit can calculate the lease costs for each selected vehicle and then calculate the total lease costs for the lease term for all vehicles based on the previous calculations. Alternatively, each selected vehicle can have a preset cost associated therewith, and the central processing unit calculates the total least costs for the lease term for all vehicles based on the preset costs.

The above and other objects, features and advantages of the invention will become readily apparent from the following detailed description thereof which is to be read in connection with the accompanying drawings.

BRIEF DESCRIPTION OF THE DRAWINGS

Fig. 1 is a block diagram of a system according to the present invention;

Fig. 2 is a plan view of a screen display on the monitor;

Fig. 3 is a plan view of a different screen display on the monitor; and

Fig. 4 is a flow chart diagram of the steps of the method according to the present invention.

DETAILED DESCRIPTION

Referring to the drawings in detail, and initially to Fig. 1 thereof, a system 10 according to the present invention provides that a vehicle dealership 12 include an

inventory 14 of vehicles, such as cars, trucks, vans, minivans, motorcycles, Rvs, motor homes, etc. and even other vehicles such as boats. Reference to dealership 12 is intended to cover a specific vehicle dealership 12 at a specific location, a leasing agency, a vehicle manufacturer, a membership club, an organization leasing over the Internet, etc. Inventory 14 can be provided on the dealership lot, a pool of vehicles at various locations, or can merely be accessible by dealership 12 from other dealerships, the manufacturer or the like.

Vehicle dealership 12 includes a computer system 16 having a central processing unit (CPU) 18 with a read only memory (ROM) 20 for storing a permanent operating system, a random access memory (RAM) 22 acting as a working memory and a hard drive 24 for storing records as to the vehicles in inventory 14 as well as temporary operating systems and programs for use with the present invention, such as lease generating and cost calculating programs. A monitor 26 is connected to CPU 18 for viewing required information, and a keyboard 28 is also connected with CPU 18 for inputting information. A printer 30 is connected with CPU 18 for printing out various documents.

With the above arrangement, based on input from keyboard 28, voice recognition system, etc., a person can lease vehicles from inventory 14. Specifically, unlike a conventional lease arrangement where a person leases a

single vehicle over a period of time of, for example, three years, with the present invention, a person can lease a plurality of vehicles sequentially over the same time period in a single lease arrangement. This lease may include different types of vehicles, such as motorcycles during one time period, followed by automobiles during the next time period, etc. In such case, various factors must be determined by CPU 18, such as the period of use by the person for each vehicle under the lease, the availability of vehicles from the dealership inventory 14, the periodic cost to the person leasing the vehicles, vehicle maintenance, etc.

Because of the large number of people using such lease arrangement, it is necessary for dealership 12, via CPU 18, to make these determinations and provide the maximum utilization of the vehicles in inventory 14, as well as satisfying the vehicle choices and terms, to the extent possible, of all individuals leasing the vehicles.

Various options can be provided by dealership 12. For example, leases can be made to start on a quarterly or monthly basis, so as to avoid any time in which a vehicle sits on a dealership's lot without being leased. However, some time must be provided, even a few days between dropping off and picking up of leased vehicles, in order for dealership 12 to service the vehicles. In such case, loaner vehicles may have to be provided for a day or two to each

person to provide such servicing time. Alternatively, leases can start randomly. This provides the greatest flexibility to the individuals leasing the vehicles, but also provides the largest down time for the leased vehicles whereby the vehicles can sit on a dealership's lot for longer periods without being leased. A more practical way which presents a middle ground between the above two options is to stagger the leases by a few days. This gives the dealership time to service the vehicles and present the same to a new person with the least down time.

Dealerships can enhance their relationships with customers and offer greater value because the dealerships are not just selling a commodity, but rather, are offering a service in terms of a variety of vehicle choices, vehicle maintenance, loaner vehicles and other related services.

As to the periodic lease payments that must be paid by the individuals, these would be determined by a number of factors, including the total lease term, the period of time during which each vehicle is driven during the total lease term, the type of vehicle driven in each period, and related items such as vehicle maintenance, insurance based on the vehicle and the period during which each vehicle is driven, the delivery method to the individual, taxes, title registration, surcharges for selecting the sequence of driven vehicles, etc. Other factors would be the mileage of the vehicles, the mileage that is permitted within each time

period for each vehicle, extra features on the vehicles, loaner vehicles available during transfer of vehicles during successive time periods, maintenance programs, seasonality, home delivery versus pick up at the dealership, and the like. Preferably, the total lease term is in the range of three months to five years. The period of time during which each vehicle is driven during the total lease term and the type of vehicle driven in each time period would be the primary factors in determining the lease cost.

The periodic lease payments can be paid in a number of different ways. Specifically, for each time period during the lease term during which a different vehicle is driven, there would be different costs associated therewith. For example, a person driving a Jaguar for a two month period would pay more, for example, $800.00 per month, than for a Ford Taurus for a two month period, for example, $200.00 per month. In this case, the monthly payments could be determined so as to be based on the vehicle then being driven, so that the person would pay $800.00 per month for two months, and then pay $200.00 per month for two months. Alternatively, and preferably, the payments would be smoothed out over the entire lease term so as to be constant. In this case, the payments during the four months would be $500.00 per month, that is, ($800.00 + $800.00 + $200.00 + $200.00)/4. In this manner, a person could have the luxury of driving a high end vehicle such as a Jaguar at

a much reduced price over what the person would normally pay for a single Jaguar lease over a thirty-six month conventional lease. Also, the person can test drive numerous different vehicles in order to make a determination as to which vehicle to eventually purchase. For example, this permits a person to use a battery/electric operated car for a short term of three to six months. This would facilitate use of more environmentally beneficial vehicles on the road without requiring a person to make a long term commitment to a vehicle which commonly has poorer performance and limited distance it can travel. Alternatively, the person can pay a lump sum single payment for the entire lease term.

Alternatively, the dealership can offer a set price for predetermined vehicles, so that the calculation would have already been made at the dealership. For example, a person can lease one car from group A, a second car from group B and so on, and can even make the determination at the start of each new time period.

Further, people tend to be more conservative as to colors and styles of vehicles when purchasing vehicles. The present lease arrangement would enable manufacturers to provide more unconventional designs and colors, since people may take a short term lease on unusual vehicles that they would be reluctant to own for a longer period.

It will be appreciated that the periods during each lease can vary in duration as well. For example, it is possible to lease a Jaguar for one month, followed by a Ford Taurus for four months. This will enable the individual to sample the Jaguar while substantially reducing the lease costs.

The person could also pay a premium surcharge for the right to select the sequence in which the person would be able to drive each vehicle. This could be determined by the individual or by CPU 18 at dealership 12. The region in which the vehicles are available can also be a factor as to availability and cost in order to effectively transfer the vehicles to the individuals under the lease agreement.

It is also possible to lease by region. For example, a retired person who lives in a northern region for six months and a southern region for six months could have a six month period in each region under the same lease.

The dealership could also offer incentives in order to better reduce the number of vehicles in its inventory 14. For example, if the dealership has a glut of Ford Taurus vehicles, dealership 14 could offer a discount during certain periods of the lease to reduce this glut, thereby optimizing the leasing of the vehicles. In this same regard, dealership 14 could offer premiums at higher lease prices, for example, for convertibles during summer months, or seasonal incentives at lower lease prices, for example,

for convertibles during winter months. Other incentives such as frequent flier miles, dollar savings and the like could be offered in order to encourage individuals to use certain vehicles at certain times in order to manage and optimize the utilization of vehicles.

Thus, it is only necessary for the individual to select the vehicles to be driven during the lease term and the periods in which the vehicles are driven. The vehicles can also be selected on whether they are new or used, mileage requirements and other factors. Based on this information and based on the availability of vehicles, CPU 18 will generate a lease agreement for the individual, which will be printed out by printer 30. Alternatively, an electronic signature can be used.

In order for the individual to select the vehicle, the individual can list his or her preferences which are input into the computer system via keyboard 28, and have CPU 18 determine availabilities. For example, in such case, the individual might select a Jaguar XJ8 from May 1, 2001 to August 1, 2001, followed by a Ford Taurus from August 1, 2001 to November 1, 2001. However, as shown in Fig. 2 as to availability of vehicles which can be displayed on monitor 26, these vehicles are not available during that time. CPU 18 can then indicate this, and suggest alternative leasing options, such as a blue Ford Taurus from May 1, 2001 to August 1, 2001, followed by a Jaguar XJS from August 1, 2001

to November 1, 2001, or alternatively, a Jaguar XJS from August 1, 2001 to October 1, 2001 and a Jaguar XJ8 from October 1, 2001 to November 1, 2001. CPU 18 can also suggest alternate time periods, for example, May 1, 2001 to July 1, 2001, July 1, 2001 to September 1, 2001 and September 1, 2001 to November 1, 2001.

Alternatively, rather than having CPU 18 calculate the above for the time periods and vehicles, the person can select the vehicles. In this regard, the screen of Fig. 2 can be displayed on monitor 26 for each vehicle, so that the person can manually select the vehicle and then determine the period of availability. Also, this manual selection can occur with paper records rather than being displayed on the screen of Fig. 2. Alternatively, CPU 18 can be instructed to display the screen of Fig. 3 in which, rather than displaying inventory 14 by vehicle, monitor 26 displays inventory 14 by availability in different time periods. Although the time periods of two months are shown, any other suitable time period, for example, one month, three months, etc. can be displayed, and the time periods can start from any day in the month, rather than the first day of the month.

Referring now to the flow chart of Fig. 4, the steps of the method according to the present invention will now be described. In step 100, dealership 12 stores information as to the vehicles that are available for lease and the time

periods during which each vehicle is available. In step 102, the individual and/or dealership then sets the total lease term, for example, three years, although the present invention is not limited to this term. The vehicles to be driven during the lease term and the time period during which each vehicle is to be driven, are then selected in step 104. As discussed above, this can occur by CPU 18 or by the individual. The person can also select a priority or sequence of time periods in which the different vehicles are driven in step 104. In the next step 106, it is determined if the selected vehicles are available during the selected time periods. In the case of CPU 18 performing the selection operation, the answer would always be YES. However, the individual may perform the selection operation after viewing the screens of Fig. 2 and/or Fig. 3. If all of the selected vehicles and/or time periods are not available, the answer is NO in step 106 and the process continues to step 108 where the person is informed of the same, and then the process returns to step 104 where a new selection of vehicles and/or time periods can be made. An optional step 109 can be provided between steps 108 and 104 where CPU 18 provides various suggestions as to alternative vehicles and/or time periods to optimize utilization of the fleet of vehicles in inventory 14. For example, longer or shorter time periods and/or proposing similar alternative vehicles could be provided.

If the answer in step 106 is YES, the process continues to step 110 where CPU 18 determines the lease terms and calculates the lease costs. Alternatively, step 102 can occur after step 104 or step 110. Further, in step 111, if the lease costs are unacceptable, the process returns to step 104, and if they are acceptable, continues to step 112.

The individual then selects the manner of payment in step 112, for example, different monthly costs dependent upon the vehicle being driven or a constant monthly cost which is smoothed out over the entire lease term. The lease agreement is then printed out in step 114 for signature and is signed by the person. Alternatively, an electronic signature or other means of authorization can be used. Thereafter, in step 116, CPU 18 revises and updates the stored information on hard drive 24 as to vehicles and availability. In other words, the selected vehicles and times are removed from the availability list.

It will be appreciated that the steps need not proceed in the order above.

Accordingly, the present invention provides a method and system for leasing multiple vehicles in sequence in a single lease arrangement, whereby a user selects multiple vehicles to be driven, each for a short time period, during a conventional lease period. With the present invention, a person can effectively test drive different vehicles at a cost that is not prohibitive, and can experience driving a

variety of different vehicles in a much shorter period of time than a conventional lease term. Further, vehicle dealerships have the advantage of including used vehicles in the lease arrangement, thereby reducing the inventory of used vehicles returned at the end of a lease term.

It will be appreciated that various modifications can be made to the present invention within the scope of the claims. For example, incentives could be provided so that if a particular vehicle is leased, a second vehicle is thrown in as a bonus for free. This could occur, for example, if a dealer has a glut of certain vehicles and wants individuals to include these particular vehicles in the lease agreement.

As a further modification, a lease agreement according to the present invention can include a lease for two or more vehicles leased simultaneously during a given time period of the lease term. This can occur, for example, where a family or business lease is desired. For example, a husband can lease one vehicle for different time periods of a lease term and a wife can simultaneously and in overlapping relation, lease another vehicle during the lease term. The second vehicle can be leased for the same or different time periods, and can even be leased for a different lease term.

Alternatively, a plurality of individual leases in sequence for the future could be used in place of the single lease of the present invention, with all of the future

leases being executed at the same time at the signing of the first lease.

Alternatively, an agreement can be signed whereby the lessee agrees to execute a plurality of leases in sequence in the future, with the pricing being set at the time of the agreement.

Having described specific preferred embodiments of the invention with reference to the accompanying drawings, it will be appreciated that the present invention is not limited to those precise embodiments and that various changes and modifications can be effected therein by one of ordinary skill in the art without departing from the scope or spirit of the invention defined by the appended claims.